

HOUSING AUTHORITY of the County of Los Angeles

Administrative Office 2 Coral Circle • Monterey Park, CA 91755 323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich Commissioners

Sean Rogan Executive Director

ADOPTED

BOARD OF COMMISSIONERS
HOUSING AUTHORITY

#4-H

OCTOBER 11, 2011

SACHI A. HAMAI EXECUTIVE OFFICER

October 11, 2011

The Honorable Board of Commissioners Housing Authority of the County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Dear Commissioners:

ADOPT A RESOLUTION ACCEPTING THE VOLUNTARY TRANSFER OF HOUSING CHOICE VOUCHERS FROM THE HOUSING AUTHORITY OF THE CITY OF WEST HOLLYWOOD TO THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES (ALL DISTRICTS) (3 VOTE)

SUBJECT

This letter recommends approval of the voluntary transfer of Section 8 Housing Choice Vouchers from the Housing Authority of the City of West Hollywood (West Hollywood) to the Housing Authority of the County of Los Angeles (HACoLA).

IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find that the transfer of Section 8 Housing Choice Vouchers is not subject to the provisions of the California Environment Quality Act (CEQA) because the action is not defined as a project under CEQA.
- 2. Adopt and instruct the Mayor to sign a resolution indicating agreement to the proposed voluntary transfer of Section 8 Housing Choice Vouchers and corresponding budget authority from West Hollywood to HACoLA; and authorize the Executive Director to submit the resolution and all related documents to the U.S. Department of Housing and Urban Development (HUD).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to transfer West Hollywood Section 8 Housing Choice Vouchers and Section 8 Annual Contributions Contract (ACC) budget authority to HACoLA. This will provide HACoLA with 97 additional Section 8 Housing Choice Vouchers, which can be used anywhere within

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HACoLA's jurisdiction, including the City of West Hollywood.

FISCAL IMPACT/FINANCING

There is no fiscal impact on the County general fund. Upon approval of the voucher transfer, HACoLA will receive 97 additional vouchers, which will equate to approximately \$99,157 in administrative fees and \$852,071 in Housing Assistance Payments annually for the Section 8 Tenant-Based Program.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In 1992, your Board authorized the execution of an Administration Agreement between the HACoLA and West Hollywood. Through this agreement HACoLA has acted as an agent of West Hollywood for the Section 8 Housing Choice Voucher Program, providing direct tenant services, including applicant selection, housing inspections, and tenant certifications. HACoLA is responsible for the issuance of housing assistance payment checks to landlords, program reporting, monitoring, and technical assistance. HACoLA also prepares Annual Agency and Administrative Plans on behalf of West Hollywood for submission to HUD.

The Administration Agreement provides HACoLA with full administrative and operating responsibilities, including the receipt and disbursement of all program funds due under the West Hollywood ACC. HACoLA has a bank account for the receipt and disbursement of all West Hollywood Housing Choice Voucher program funds, including the payment of any preliminary and administrative fees to the HACoLA that are due under the West Hollywood ACC.

In recent years, HACoLA has found that it is no longer able to administer the Housing Choice Voucher Program on behalf of West Hollywood in exchange for West Hollywood's Administrative Fee compensation under its ACC with HUD. Furthermore, the administrative burden caused by the administrative agreement has made the management and operation of both HACoLA's and West Hollywood's Housing Choice Voucher programs a difficult challenge.

West Hollywood has agreed to voluntarily transfer its vouchers and corresponding budget authority to HACoLA with the understanding that HACoLA will minimize the transfer's impact on tenant rent because it is expected that HACoLA's payment will match West Hollywood's payment standard by July 2014.

On August 15, 2011, West Hollywood's governing body adopted a resolution agreeing to the proposed transfer. On September 28, 2011, the Housing Commission recommended approval of the proposed transfer.

Upon adoption of the attached resolution, HACoLA will request that HUD consider the transfer of budget authority and corresponding vouchers for the Section 8 Housing Choice Voucher program from the West Hollywood ACC to the HACoLA Consolidated ACC. As part of the application process, HUD requires the approved resolution and at least 90 days notice before the effective date of the transfer.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because it involves administrative action

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that will not have a physical impact on or result in any physical changes to the environment. The action is also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this action will allow HACoLA to receive 97 additional vouchers and approximately \$951,000 in additional Section 8 funds annually for the program. After the transfer is complete, the West Hollywood waiting list will be merged with the HACoLA waiting list using the applicant's original registration date. Additionally, HACoLA staff will no longer have to prepare separate Agency and Administrative Plans for West Hollywood, reducing the total workload associated with administering these vouchers.

HUD will complete the transfer of all Family Reports (form HUD-50058), so all affected families will be recorded under HACoLA.

Respectfully submitted,

SEAN ROGAN

Executive Director

SR:dz

Enclosures

RESOLUTION AGREEING TO THE VOLUNTARY TRANSFER OF HOUSING CHOICE VOUCHERS FROM THE CITY OF WEST HOLLYWOOD HOUSING AUTHORITY TO THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

WHEREAS, as a Public Housing Agency, the Housing Authority of the City of West Hollywood (West Hollywood) receives an allocation of Housing Choice Vouchers issued by the United States Department of Housing and Urban Development (HUD);

WHEREAS, since 1992, the Housing Authority of the County of Los Angeles (HACoLA) has been operating the Section 8 Housing Choice Voucher program (the "Program") on behalf of West Hollywood;

WHEREAS, HACoLA has a bank account for the receipt and disbursement of all Program funds which are allocated to West Hollywood under its Annual Contributions Contract (ACC) with HUD;

WHEREAS, HACoLA is no longer able to administer the Program on behalf of West Hollywood in exchange for West Hollywood's Administrative Fee compensation under its ACC with HUD:

WHEREAS, West Hollywood has agreed to voluntarily transfer its vouchers and corresponding budget authority to HACoLA with the understanding that HACoLA will minimize the transfer's impact on tenant rent because it is expected that HACoLA's payment will match West Hollywood's payment standard by July 2014;

WHEREAS, HUD has issued policies (Notice PIH 2007-6; PIH 2008-19; PIH 2010-39), which outline the process by which a Public Housing Agency may voluntarily transfer its Housing Choice vouchers and corresponding budget authority to another Public Housing Agency; and

WHEREAS, on August 15, 2011, West Hollywood's governing body has adopted a Resolution agreeing to the proposed voluntary transfer of the Program vouchers and corresponding budget authority to HACoLA.

NOW, THEREFORE, the Board of Commissioners of the Housing Authority of the County of Los Angeles hereby resolves as follows:

- 1. HACoLA agrees to the proposed voluntary transfer of Housing Choice Vouchers and corresponding budget authority from West Hollywood, contingent upon approval of the transfer from the HUD.
- The Executive Director of HACoLA shall submit a letter to HUD, as required per Notice PIH 2007-6; PIH 2008-19 and PIH 2010-39, requesting that the transfer be approved by HUD.

3. As per Notice PIH 2010-39, the effective date of the transfer will allot the minimum 90 days' notice required for the submittal of the letter and the approved resolution to HUD.

APPROVED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles on this II day of October, 2011.

ATTEST:

SACHI A. HAMAI Executive Officer-Clerk of the Board of Commissioners

MAYOR MICHAEL D. ANTONOVICH Chairman of the Board of Commissioners

By: Benjamin Zavala
Deputy

By: Mike antonomial

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN County Counsel

Ву:

Deputy